

§ 50.70

under subpart F of this part shall retain such records as are necessary to fully disclose all material matters pertinent to insured losses and the Federal share of compensation sought under the Program, including, but not limited to, records regarding premiums and insured losses for all commercial property and casualty insurance issued by the insurer and information relating to any adjustment in the amount of the Federal share of compensation payable. Insurers shall maintain detailed records for not less than five (5) years from the termination dates of all reinsurance agreements involving commercial property and casualty insurance subject to the Act. Records relating to premiums shall be retained and available for review for not less than three (3) years following the conclusion of the policy year. Records relating to underlying claims shall be retained for not less than five (5) years following the final adjustment of the claim.

(b) Each insurer that collects a Federal Terrorism Policy Surcharge as required by subpart H of this part shall retain records related to such Surcharge, including records of the property and casualty insurance premiums subject to the Surcharge, the amount of the Surcharge imposed on each policy, aggregate Federal Terrorism Policy Surcharges collected, and aggregate Federal Terrorism Policy Surcharges remitted to Treasury during each assessment period. Such records shall be retained and kept available for review for not less than three (3) years following the conclusion of the assessment period or settlement of accounts with Treasury, whichever is later.

[74 FR 66058, Dec. 14, 2009]

Subpart H—Recoupment and Surcharge Procedures

SOURCE: 74 FR 66059, Dec. 14, 2009, unless otherwise noted.

§ 50.70 Mandatory and discretionary recoupment.

(a) Pursuant to section 103 of the Act, the Secretary shall impose, and insurers shall collect, such Federal Terrorism Policy Surcharges as needed to recover 133 percent of the mandatory

31 CFR Subtitle A (7–1–15 Edition)

recoupment amount for any Program Year.

(b) In the Secretary's discretion, the Secretary may recover any portion of the aggregate Federal share of compensation that exceeds the mandatory recoupment amount through a Federal Terrorism Policy Surcharge based on the factors set forth in section 103(e)(7)(D) of the Act.

(c) If the Secretary is required to impose a Federal Terrorism Policy Surcharge as provided in paragraph (a) of this section, then the required amounts, based on the extent to which payments for the Federal share of compensation have been made by the collection deadlines in section 103(e)(7)(E) of the Act, shall be collected in accordance with such deadlines:

(1) For any act of terrorism that occurs on or before December 31, 2010, the Secretary shall collect all required amounts by September 30, 2012;

(2) For any act of terrorism that occurs between January 1 and December 31, 2011, the Secretary shall collect 35 percent of any required amounts by September 30, 2012, and the remainder by September 30, 2017; and

(3) For any act of terrorism that occurs on or after January 1, 2012, the Secretary shall collect all required amounts by September 30, 2017.

§ 50.71 Determination of recoupment amounts.

(a) If payments for the Federal share of compensation have been made for a Program Year, and Treasury determines that insured loss information is sufficiently developed and credible to serve as a basis for calculating recoupment amounts, Treasury will make an initial determination of any mandatory or discretionary recoupment amounts for that Program Year.

(b)(1) Within 90 days after certification of an act of terrorism, the Secretary shall publish in the FEDERAL REGISTER an estimate of aggregate insured losses which shall be used as the basis for initially determining whether mandatory recoupment will be required.

(2) If at any time Treasury projects that payments for the Federal share of